

**INDIANA DEPARTMENT OF REVENUE  
DEPARTMENTAL NOTICE #17  
NOVEMBER 1, 2002**

**Transition of the Indiana Sales Tax Increase  
Effective for Transactions Occurring After  
November 30, 2002**

This document does not meet the definition of a “statement” required to be published in the Indiana Register under IC 4-22-7-7. The purpose of this Notice is to provide general information about the transition of the sales tax and the applicable rate to be applied when the rate increases from five percent (5%) to six percent (6%) on December 1, 2002.

HEA 1001ss, SECTION 195 provides transitional language for transactions subject to the sales tax. The language outlines the time and circumstances under which a registered retail merchant will collect the six percent (6%) sales tax effective December 1, 2002.

**Utility Transactions:** Services constituting the furnishing of public utility, telephone or cable television services and commodities will only be billed for the six percent (6%) sales tax for original statements and billings that are dated after **December 31, 2002.**

**Other Retail Transactions:**

A. Sales subject to 5% tax rate occur when:

1. The agreement (sales order), payment (in full) and delivery occur prior to December 1, 2002;

2. The agreement (sales order) and the delivery occur prior to December 1, 2002; or

3. The agreement (sales order) and payment (in full) occur prior to December 1, 2002.

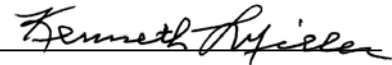
B. Sales subject to 6% tax rate occur when:

1. The agreement (sales order), payment and delivery all occur after November 30, 2002; or

2. The payment and delivery occur after November 30, 2002.

3. For contracts and ongoing purchases or leases, payment transactions made after November 30, 2002, will be subject to the six percent (6%) rate.

**Retail establishments: Retail establishments transacting business on November 30, 2002 at midnight, are required to collect the six percent (6%) sales tax beginning at 12:01 AM, December 1, 2002.**



Kenneth L. Miller  
Commissioner